



City of West Allis

Legislation Text

File #: R-2020-0446, **Version:** 1

Resolution to consider a Development Agreement by and between GG 003 LLC, and the City of West Allis regarding the property located at 7030 W. National Avenue and 15** S. 71 St.

WHEREAS, the GG 003, LLC, a Wisconsin limited liability company ("Developer") intends to acquire in separate transactions approximately 0.6674 acres of real property in the City of West Allis, Wisconsin ("City"), comprised of tax key parcel 453-0270-001, tax key parcel 453-0272-001 and the portion of the 14-foot wide alley separating the two private parcels (the "Property"), as depicted and contained in **Exhibit A** of the attached Development Agreement; and,

WHEREAS, the Developer plans investing over \$2 million dollars in developing the Property into a multi-tenant dental and medical office building consisting of approximately 17,800 sq. ft. and 45 surface parking spaces. A preliminary site, landscaping and architectural plan is provided showing projected future development of the Property within **Exhibit B**, attached hereto; and,

WHEREAS, the Developer is seeking an agreement with Milwaukee County to resolve outstanding tax liens on certain portions of the Property; and,

WHEREAS, the City of West Allis (the "City") wishes to encourage economic development, eliminate blight, expand the City's tax base and foster job creation for the City through the development of the Property; and,

WHEREAS, the Developer requested financial assistance to support establishment of the business at the Property in the form of a forgivable loan in an amount equal to \$200,000 for the purchase of equipment and inventory costs related to Developer's establishment of a dental office at the Property; and

WHEREAS, the forgivable loan would be funded with an allocation of Community Development Block Grant (CDBG) funds in the amount of \$200,000 to support the creation of jobs for low-to-moderate income persons; and,

WHEREAS, the Developer requested additional assistance for increased project costs in the form of a Storefront Improvement Grant in the amount of \$65,000; and,

WHEREAS, the Director of Development recommends for consideration a Development Agreement and support for the forgivable loan and Storefront Improvement Grant; and,

WHEREAS, the City desires to encourage economic development, eliminate blight, expand the City's tax base and create new jobs within the City, the District and upon the Property. The City finds that the development of the Project and the fulfillment of the terms and conditions of this Agreement will further such goals, are in the vital and best interests of the City and its residents, and will serve a public purpose in accordance with applicable state and local laws; and,

WHEREAS, the development of the Project would not occur without the benefits to be provided to the Developer as set forth in this Agreement.

NOW, THEREFORE, BE IT RESOLVED that the City of West Allis hereby authorizes as follows:

1. A Development Agreement between the City of West Allis and GG 003 LLC and/or its assigns, for development at 7030 W. National Avenue and 15** S. 71 St.
2. That the appropriate city officials, with the approval of the City Attorney, or his designees, are hereby authorized and directed to take any and all other actions deemed necessary or desirable by him to effectuate the intent of the project.

3. That the appropriate city officials, with approval of the City Attorney, or his designees, are hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the various provisions of any and all loan commitments, the sale of land, loan agreements, mortgages, notes, guaranties, security agreements, escrow agreements, certificates, affidavits, assignment agreements, pledges, disbursing agreements, subordination agreements, environmental agreements, indemnification agreements, land use restriction agreements, certified survey maps, easements, operating reserve agreements, replacement reserve agreements, working capital agreements, grant agreements and financing statements, development agreements, property management agreements, consulting agreements, escrow agreements, certificates, affidavits, reimbursement agreements, assignment agreements, attachments, exhibits, addendums, amendments and/or any other documents as may be necessary, proper and convenient to correct inconsistencies, eliminate ambiguity, and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein.

4. The approved is contingent upon the Alley Vacation scheduled for the Common Council meeting of September 15, 2020.

5. That a forgivable Economic Development Loan in the amount of \$200,000 is approved for the project to support equipment purchases and the creation of job opportunities for low-moderate income individuals. The loan is funded with an allocation of \$200,000 from the CDBG program.

6. That a Storefront Improvement Grant in the amount of \$65,000 is approved as an improvement that is within a ½ mile radius of Tax Increment Financing District Number 14 - Milwaukee Ductile.

7. That approximately \$173,000 of special charges to delinquent utilities be charged to TIF #7 or TIF #14.

BE IT FURTHER RESOLVED that the Director of Development is hereby authorized and directed to execute and deliver the aforesaid Development Agreement on behalf of the City of West Allis.

DEV-R-1030-9-10-20

cc: Development Department